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VIA EFILING AND HAND DELIVERY

June 27, 2007

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

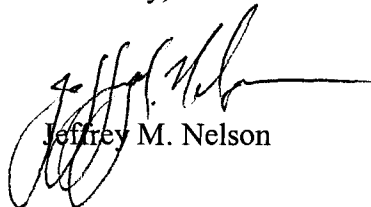
Re: Petition of the Office of Regulatory Staff for a Declaratory Order Against Stan Brown d/b/a Water Head, LLC Requiring Certification as a Water Utility And the Posting of a Performance Bond
PSC Docket No.: 2007-64-WS

Enclosed for filing please find the original and one (1) copy of the Direct Testimony of M. Elizabeth Ford in the above referenced docket.

Please note that the attached documents are exact duplicates, with the exception of the form of the signature, of the e-filed copy submitted to the Commission in accordance with its electronic filing instructions.

Please date stamp the one extra copy for our office and return it to me via our courier and do not hesitate to let me know if you have any questions.

Sincerely,



Jeffrey M. Nelson

JMN/pjm
Enclosures

**THE OFFICE OF REGULATORY STAFF
SETTLEMENT TESTIMONY
OF**

M. ELIZABETH FORD

June 27, 2007



DOCKET NO. 2007-64-WS

**Petition of the Office of Regulatory Staff
for a Declaratory Order against Stan
Brown d/b/a Water Head, LLC requiring
Certification as a Water Utility and the
posting of a Performance Bond**

SETTLEMENT TESTIMONY OF M. ELIZABETH FORD

FOR

THE OFFICE OF REGULATORY STAFF

DOCKET NO. 2007-64-W

IN RE: STAN BROWN D/B/A WATER HEAD, LLC.

**Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND
OCCUPATION.**

A. My name is M. Elizabeth Ford, and my business address is 1441 Main Street, Suite 300, Columbia, South Carolina 29201. I am employed by the state of South Carolina, Office of Regulatory Staff (“ORS”) as a Program Specialist for the Water and Wastewater Department.

**Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND
EXPERIENCE.**

A. In 2003, I graduated from Clemson University with a Bachelors of Arts in Sociology. After graduating from Clemson University, I was employed by the South Carolina Public Service Commission in Consumer Services assisting telecommunications customers. In 2004, I joined ORS with the transfer of consumer services responsibilities. In September of 2005, I was promoted to Lifeline Intake Manager. As the Intake Manager, I worked with South Carolina’s

1 incumbent local exchange carriers to facilitate the deployment of the Lifeline and
2 Link-up program. I also assisted and verified low-income individuals for this
3 same program. In June 2007, I became the Program Specialist for the Water and
4 Wastewater Division.

5 **Q. CAN YOU DESCRIBE YOUR RESPONSIBILITIES AS THE PROGRAM**
6 **SPECIALIST FOR WATER AND WASTEWATER WITH THE OFFICE**
7 **OF REGULATORY STAFF?**

8 A. Yes. My responsibilities include performing analyses and providing testimony in
9 formal proceedings before the Commission regarding rate base determinations,
10 rate schedules, general terms and conditions, cost of service and depreciation
11 studies, and compliance with applicable rules and regulations. In addition, my
12 responsibilities include monitoring federal activity to determine its impact on state
13 regulations and policies.

14 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
15 **PROCEEDING?**

16 A. The purpose of my testimony is to provide a brief overview of the Settlement
17 Agreement reached between ORS and Stan Brown d/b/a Water Head, LLC
18 (“Water Head”) in this proceeding and to explain why this Settlement Agreement
19 is in the public interest. Specifically, I will focus on Water Head’s planned
20 schedule of compliance with the Commission’s rules and regulations.

21 **Q. ARE THE FINDINGS OF YOUR REVIEW CONTAINED IN THIS**
22 **TESTIMONY AND ACCOMPANYING SETTLEMENT?**

1 A. Yes, my testimony and the attached settlement detail ORS's findings and
2 recommendations.

3 **Q. PLEASE PROVIDE AN OVERVIEW OF THE LOCATION, SERVICE**
4 **TYPE AND CUSTOMER BASE SERVED BY WATER HEAD.**

5 A. Water Head has been providing water service to its customers similar to a
6 Commission-approved regulated utility. Based upon our preliminary review
7 Water Head would be classified as a NARUC Class C water utility according to
8 the current rates that are being charged and the number of customers that are
9 being provided water service. Water Head provides water service to
10 approximately 45 residential and commercial customers located in Pickens
11 County. These customers include single family homes, a golf club house and a
12 restaurant.

13 **Q. PLEASE PROVIDE AN OVERVIEW OF THE SETTLEMENT**
14 **AGREEMENT REACHED BY THE PARTIES OF RECORD.**

15 A. Following extensive discussions, the parties have each determined that their
16 interests, as well as the interest of the public would be best served by settling all
17 pending issues in this proceeding.

18 Further, the Settlement Agreement represents the public interest as it preserves
19 the balance referred to in S.C. Code § 58-4-10:

20 ... 'public interest' means a balancing of the following:

- 21
- 22 (1) Concerns of the using and consuming public with
23 respect to public utility services, regardless of the
24 class of customer;
- 25
- 26 (2) Economic development and job attraction and
27 retention in South Carolina; and

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(3) Preservation of the financial integrity of the State's public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

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The Settlement Agreement provides Water Head with a schedule to come into compliance with the Commission rules and regulations that is fair and reasonable to both the customer and Water Head.

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It is the position of ORS and Water Head that this Settlement Agreement is fair and reasonable and represents full resolution of all issues in this proceeding and I would request the Commission approve the Settlement Agreement as presented today.

13

Q. DOES THAT CONCLUDE YOUR TESTIMONY?

14

A. Yes it does.

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2007-64-WS

IN RE:

Petition of the Office of Regulatory Staff for)
a Declaratory Order Against Stan Brown)
d/b/a Water Head, LLC Requiring)
Certification as a Water Utility And the)
Posting of a Performance Bond)

CERTIFICATE OF SERVICE

This is to certify that I, Pamela J. McMullan, have this date served one (1) copy of the **DIRECT TESTIMONY OF M. ELIZABETH FORD** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

Robert T. Bockman, Esquire
McNair Law Firm, PA
Post Office Box 11390
Columbia, SC 29211

Stan Brown
171 Sliding Rock Rd.
Pickens, SC 29671



Pamela J. McMullan

June 27, 2007
Columbia, South Carolina